

European Commission - Speech [Check Against Delivery]



2023 State of the Union Address by President von der Leyen

Strasbourg, 13 September 2023

STATE OF THE UNION 2023

The original version of the speech is available <u>here</u>.

ANSWERING THE CALL OF HISTORY

INTRODUCTION – DELIVER TODAY, PREPARE FOR TOMORROW

Honourable Members,

In just under 300 days, Europeans will take to the polls in our unique and remarkable democracy.

As with any election, it will be a time for people to reflect on the State of our Union and the work done by those that represent them.

But it will also be a time to decide on what kind of future and what kind of Europe they want.

Among them will be millions of first-time voters, the youngest of whom were born in 2008.

As they stand in that polling booth, they will think about what matters to them.

They will think about the war that rages at our borders.

Or the impact of destructive climate change.

About how artificial intelligence will influence their lives.

Or of their chances of getting a house or a job in the years ahead.

Our Union today reflects the vision of those who dreamt of a better future after World War II.

A future in which a Union of nations, democracies and people would work together to share peace and prosperity.

They believed that Europe was the answer to the call of history.

When I speak to the new generation of young people, I see that same vision for a better future.

That same burning desire to build something better.

That same belief that in a world of uncertainty, **Europe once again must answer the call of history.**

And that is what we must do together.

Honourable Members,

This starts with **earning the trust** of Europeans to deal with their aspirations and anxieties.

And in the **next 300 days** we must **finish the job** that they entrusted us with.

I want to thank this House for its leading role in delivering on one of the most ambitious

transformations this Union has ever embarked on.

When I stood in front of you in 2019 with my programme for a green, digital and geopolitical **Europe** I know that some had doubts.

And that was **before** the world turned upside down with a global pandemic and a brutal war on European soil.

But look at where Europe is today.

We have seen the birth of a **geopolitical Union** – supporting Ukraine, standing up to Russia's aggression, responding to an assertive China and investing in partnerships.

We now have a **European Green Deal** as the **centrepiece** of our economy and **unmatched** in ambition.

We have set the path for the **digital transition** and become **global pioneers in online rights**.

We have the historic **NextGenerationEU** – combining 800 billion euros of **investment and reform** – and **creating decent jobs** for today and tomorrow.

We have set the **building blocks** for a **Health Union**, helping to vaccinate an entire continent – and large parts of the world.

We have started making ourselves **more independent** in critical sectors, like energy, chips or raw materials.

I would also like to thank you for the **ground-breaking and pioneering work** we did on **gender** equality.

As a woman, this means a lot to me.

We have concluded files that many thought would be blocked forever, like the **Women on Boards Directive** and the **historic accession of the EU to the Istanbul Convention**.

With the **Directive on pay transparency** we have cast into law the basic principle that equal work deserves equal pay.

There is not a single argument why – for the same type of work – a woman should be paid less than a man.

But our work is far from over and we must continue pushing for progress together.

I know this house supports our proposal on combating violence against women.

Here too, I would like that we cast into law another basic principle: No, means no.

There can be no true equality without freedom from violence.

And thanks to this Parliament, to Member States and to my team of Commissioners, we have **delivered over 90% of the Political Guidelines** I presented in 2019.

Together, we have shown that when Europe is bold, it gets things done.

And our work is far from over - **so let's stand together.**

Let's deliver today and prepare for tomorrow.

EUROPEAN GREEN DEAL

Honourable Members,

Four years ago, the European Green Deal was our answer to the call of history.

And this summer – the hottest ever on record in Europe – was a stark reminder of that.

Greece and Spain were struck by ravaging wildfires – and were hit again only a few weeks later by devastating floods.

And we saw the **chaos and carnage** of extreme weather – from Slovenia to Bulgaria and right across our Union.

This is the reality of a boiling planet.

The European Green Deal was born out of this necessity to protect our planet.

But it was also designed as an opportunity to preserve our future prosperity.

We started this mandate by setting a long-term perspective with the climate law and the 2050 target.

We shifted the climate agenda to being an **economic** one.

This has given a clear sense of direction for investment and innovation.

And we have already seen this **growth strategy delivering** in the short-term.

Europe's industry is showing every day that it is ready to power this transition.

Proving that modernisation and decarbonisation can go hand in hand.

In the last five years, the number of **clean steel factories** in the EU has grown from zero to 38.

We are now attracting **more investment in clean hydrogen** than the US and China **combined**.

And tomorrow I will be in Denmark with Prime Minister Mette Frederiksen to see that innovation first hand.

We will mark the launch of the first container ship, powered by clean methanol made with solar energy.

This is the strength of Europe's response to climate change.

The European Green Deal provides the necessary frame, incentives, and investment – but it is the people, the inventors, the engineers who develop the solutions.

And this is why, Honourable Members,

as we enter the **next phase** of the European Green Deal, one thing will never change.

We will keep supporting European industry throughout this transition.

We started with a package of measures – from the Net-Zero Industry Act to the Critical Raw Materials Act.

With our **Industry Strategy**, we are looking at the risks and needs of each ecosystem in this transition.

We need to finish this work.

And with this, we need to develop an approach for each industrial ecosystem.

Therefore, starting from this month, we will hold **a series of Clean Transition Dialogues** with industry.

The **core aim** will be to support every sector in building its business model for the decarbonisation of industry.

Because we believe that this transition is essential for our future competitiveness in Europe.

But this is just as much about the people and their jobs of today.

Our **wind industry**, for instance, is a European success story.

But it is currently facing a unique mix of challenges.

This is why we will put forward a **European Wind Power package** – working closely with industry and Member States.

We will fast-track permitting even more.

We will improve the auction systems across the EU.

We will focus on skills, access to finance and stable supply chains.

But this is **broader** than one sector:

From wind to steel, from batteries to electric vehicles, our ambition is crystal clear: **The future of our clean tech industry has to be made in Europe.**

Honourable Members,

This shows that when it comes to the European Green Deal:

We stay the course.

We stay ambitious.

We stick to our growth strategy.

And we will always strive for a fair and just transition!

That means a fair outcome for future generations – to live on healthy planet.

And a fair journey for all those impacted – with **decent jobs and a solemn promise to leave no one behind.**

Just think about **manufacturing jobs and competitiveness:** a topic we are discussing a lot these days.

Our industry and tech companies like competition.

They **know** that global competition is **good** for business.

And that it creates and protects good jobs here in Europe.

But competition is **only true** as long as it is **fair**.

Too often, our companies are excluded from foreign markets or are victims of predatory practices.

They are often **undercut by competitors** benefitting from huge state subsidies.

We have not forgotten how China's unfair trade practices affected our solar industry.

Many young businesses were pushed out by heavily subsidised Chinese competitors.

Pioneering companies had to file for bankruptcy.

Promising talents went searching for fortune abroad.

This is why **fairness** in the global economy is so important – because it affects lives and livelihoods.

Entire industries and communities depend on it.

So, we have be to be clear-eyed about the risks we face.

Take the electric vehicles sector.

It is a crucial industry for the clean economy, with a huge potential for Europe.

But global markets are now **flooded** with cheaper Chinese electric cars.

And their price is kept **artificially** low by huge state subsidies.

This is distorting our market.

And as we do not accept this from the inside, we do not accept this from the outside.

So I can announce today that the Commission is launching an **anti-subsidy investigation into** electric vehicles coming from China.

Europe is open for competition. Not for a race to the bottom.

We must defend ourselves against unfair practices.

But equally, it is vital to keep open lines of communication and dialogue with China.

Because there **also are** topics, where we can and have to cooperate.

De-risk, not decouple – this will be my approach with the Chinese leadership at the EU-China Summit later this year.

Honourable Members,

In the European Union, we are proud of our cultural diversity.

We are a 'Europe of the Regions' with a unique blend of languages, music, art, traditions, crafts and cuisines.

We are also a **continent of unique biological diversity**.

Some 6 500 species are found **only** in Europe.

In northern Europe, we find the **Wadden Sea, a world natural heritage site** and unique habitat offering a home to rare species of flora and fauna and a vital resource for millions of migratory birds. And with the **Baltic Sea we have the largest area of brackish sea in the world**.

South of that is the **European Plain**, characterised by **vast tracts of moorland and wetland**.

These regions are **important allies against ongoing climate change**.

Protected moors and wetlands absorb enormous volumes of **greenhouse gases**, secure **regional water cycles** and are home to unique biodiversity.

And Europe is a **continent of forests**.

From the **mighty coniferous forests of the North and East**, via the **last remnants of virgin oak and beech forest** in central Europe to the **cork oak forests of southern Europe**: all these forests are an irreplaceable source of goods and services.

They absorb carbon dioxide, supply wood and other products, generate fertile soils, and filter the air and the water.

Biodiversity and ecosystem services are vital for all of us in Europe.

Loss of nature **destroys not only the foundations of our life**, but also our **feeling of what constitutes home**.

We must protect it.

At the same time, food security, in harmony with nature, remains an essential task.

I would like to take this opportunity to express my appreciation to our farmers, to thank them for providing us with food day after day.

For us in Europe, this task of agriculture – producing healthy food – is the foundation of our agricultural policy.

And self-sufficiency in food is also important for us.

That is what our farmers provide.

It is not always an easy task, as the consequences of Russia's aggression against Ukraine, climate change bringing droughts, forest fires and flooding, and new obligations are all having a growing impact on farmers' work and incomes.

We must bear that in mind.

Many are already working towards a more sustainable form of agriculture.

We must work together with the men and women in farming to tackle these new challenges.

That is the only way to secure the supply of food for the future.

We need more dialogue and less polarisation.

That is why we want to launch a strategic dialogue on the future of agriculture in the EU.

I am and remain convinced that **agriculture and protection of the natural world can go hand in hand**.

We need both.

ECONOMY, SOCIAL AND COMPETITIVENESS

Honourable Members,

A fair transition for farmers, families and industry.

This is the hallmark of this Mandate.

And it is all the more important as we face strong economic headwinds.

I see three major economic challenges for our industry in the year ahead: labour and skills shortages, inflation, and making business easier for our companies.

The first has to do with our labour market.

We have **not** forgotten the early days of the global pandemic.

When everyone predicted a new wave of 1930-style mass unemployment.

But we defied this prediction.

With SURE – the first-ever European short-time work initiative – we saved 40 million jobs.

This is Europe's social market economy in action.

And we can be proud of it!

We then immediately restarted our economic engine thanks to NextGenerationEU.

And today we see the results.

Europe is close to full employment.

Instead of millions of people looking for jobs, millions of jobs are looking for people.

Labour and skills shortages are reaching record levels - both here and across all major economies.

74% of SMEs are saying they are facing skill shortages.

In the peak of the tourist season, restaurants and bars in Europe are running reduced hours because they cannot find staff.

Hospitals are postponing treatment because of lack of nurses.

And two thirds of European companies that are looking for IT specialists cannot find them.

At the same time **millions of parents** – mostly mothers – are struggling to reconcile work and family, **because there is no childcare.**

And 8 million young people are neither in employment, education or training.

Their dreams put on hold, their lives on stand-by.

This is not only the cause of so much personal distress.

It is also one of the most significant bottlenecks for our competitiveness.

Because labour shortages hamper the capacity for innovation, growth and prosperity.

So we need to improve access to the labour market.

Most importantly for **young people, for women**.

And we need qualified migration.

In addition, we need to respond to the **deep-rooted shifts in technology, society and demography.**

And for that, we should rely on the expertise of **businesses and trade unions**, **our collective bargaining partners**.

It is almost forty years since Jacques Delors convened the Val Duchesse meeting that saw the birth of European social dialogue.

Since then, social partners have shaped the Union of today – ensuring progress and prosperity for millions.

And as the world around us changes faster than ever, social partners must again be at the heart of our future.

Together we must focus on the challenges facing the labour market – from skills and labour shortages, to new challenges stemming from AI.

This is why together with the Belgian Presidency next year, we will convene a new Social Partner Summit once again at Val Duchesse.

The future of Europe will be built with and by our social partners.

The second major economic challenge: persistent high inflation.

Christine Lagarde and the European Central Bank are working hard to keep inflation under control.

We know that returning to the ECB's medium-term target will take some time.

The good news is that Europe has started bringing energy prices down.

We have not forgotten, **Putin's deliberate use of gas as a weapon** and how it triggered fears of blackout and an energy crisis like in the 70s.

Many thought, we would not have enough energy to get through the winter.

But we made it.

Because we stayed united – pooling our demand and buying energy together.

And at the same time, different to the 70s, we used the crisis to massively invest in renewables and fast-track the clean transition.

We used Europe's critical mass to bring prices down and secure our supply.

The price for gas in Europe was over 300 euros per MWh one year ago. It is now around 35.

So we need to look at how we can **replicate this model of success** in other fields like **critical raw materials or clean hydrogen.**

The third challenge for European companies is about making it easier to do business.

Small companies do not have the capacity to cope with complex administration.

Or they are held back by lengthy processes.

This often means they do less with the time they have – and that they miss out on opportunities to grow.

This is why – before the end of the year – we will appoint an **EU SME envoy** reporting directly to me.

We want to hear directly **from small and medium sized businesses,** about their everyday challenges.

For every new piece of legislation we conduct a **competitiveness check** by an **independent board**.

And next month, we will make the first **legislative proposals towards reducing reporting obligations** at the European level by 25%.

Honourable Members,

Let's be frank – this will not be easy.

And we will need your support.

Because this is a **common endeavour for all European institutions.**

So we also have to work with Member States, to match the 25% at **national** level.

It is time to make business easier in Europe!

But European companies also need **access to key technologies** to innovate, develop and manufacture.

This is a question of **European sovereignty** as the Leaders underlined in Versailles.

It is an **economic and national security imperative** to preserve a European edge on critical and emerging technologies.

This European industrial policy also requires common European funding.

This is why – as part of our proposal for a review of our budget – we proposed the STEP platform.

With STEP we can **boost**, **leverage and steer** EU funds to invest in everything from **microelectronics to quantum computing and AI**.

From biotech to clean tech.

Our companies need this support now – so **I urge for a quick agreement on our budget proposal**.

And I know I can count on this House.

And there is **more** when it comes to **competitiveness**.

We have seen real bottlenecks along **global supply chains**, including because of the **deliberate policies of other countries**.

Just think about **China's export restrictions** on **gallium** and **germanium** – which are essential for goods like **semiconductors** and **solar panels**.

This shows why it is so important for Europe to step up on economic security.

By de-risking and not decoupling.

And I am very proud that this concept has found broad support from key partners.

From Australia to Japan and the United States.

And many other countries around the world want to work together.

Many are overly dependent on a single supplier for critical minerals.

Others – from Latin America to Africa – want to **develop local industries for processing and refining**, instead of **just shipping** their resources abroad.

This is why later this year we will convene the **first meeting of our new Critical Raw Materials Club**.

At the same time, we will continue to drive open and fair trade.

So far, we have concluded new free trade agreements with **Chile, New Zealand and Kenya**.

We should aim to complete deals with Australia, Mexico and Mercosur by the end of this year.

And soon thereafter with India and Indonesia.

Smart trade delivers good jobs and prosperity.

Honourable Members,

These three challenges – labour, inflation and business environment – come at a time when we are also asking industry to lead on the clean transition.

So we need to look further ahead and set out **how** we remain competitive as we do that.

This is why I have asked Mario Draghi – one of Europe's great economic minds – to prepare a **report on the future of European competitiveness**.

Because Europe will do "whatever it takes" to keep its competitive edge.

DIGITAL & AI

Honourable Members,

When it comes to making business and life easier, we have seen how important digital technology is.

It is telling that we have far **overshot the 20% investment target** in digital projects of NextGenerationEU.

Member States have used that investment to digitise their healthcare, justice system or transport network.

At the same time, Europe has led on managing the risks of the digital world.

The internet was born as an instrument for **sharing knowledge**, **opening minds and connecting people**.

But it has also given rise to serious challenges.

Disinformation, spread of harmful content, risks to the privacy of our data.

All of this led to a lack of trust and a breach of fundamental rights of people.

In response, Europe has become the **global pioneer of citizen's rights** in the digital world.

The DSA and DMA are creating a **safer digital space** where fundamental rights are protected.

And they are ensuring fairness with clear **responsibilities for big tech**.

This is a historic achievement – and we should be proud of it.

The same should be true for **artificial intelligence**.

It will improve healthcare, boost productivity, address climate change.

But we also should **not underestimate** the very real threats.

Hundreds of leading AI developers, academics and experts warned us recently with the following words:

"Mitigating the **risk of extinction** from AI should be a global priority alongside other societal-scale risks such as pandemics and nuclear war."

AI is a general technology that is **accessible**, **powerful and adaptable** for a vast range of uses - both civilian **and** military.

And it is moving faster than even its developers anticipated.

So we have a narrowing window of opportunity to guide this technology responsibly.

I believe Europe, together with partners, should **lead the way on a new global framework** for AI, built on three pillars: **guardrails, governance and guiding innovation**.

Firstly, guardrails.

Our number one priority is to ensure AI develops in a human-centric, transparent and responsible way.

This is why in my Political Guidelines, I committed to setting out a **legislative approach in the first 100 days.**

We put forward the **AI Act** – the world's **first comprehensive pro-innovation AI law**.

And I want to thank this House and the Council for the tireless work on this groundbreaking law.

Our AI Act is already a **blueprint for the whole world**.

We must now focus on adopting the rules as soon as possible and turn to implementation.

The second pillar is governance.

We are now laying the foundations for a single governance system in Europe.

But we should also join forces with our partners to ensure a **global approach** to understanding the impact of AI in our societies.

Think about the invaluable contribution of the IPCC for climate, a global panel that provides the latest science to policymakers.

I believe we need a similar body for AI – on the risks and its benefits for humanity.

With scientists, tech companies and independent experts all around the table.

This will allow us to develop a fast and globally coordinated response – building on the **work done by the Hiroshima Process and others.**

The third pillar is **guiding innovation** in a responsible way.

Thanks to our investment in the last years, Europe has now become a **leader in supercomputing** – with 3 of the 5 most powerful supercomputers in the world.

We need to capitalise on this.

This is why I can announce today **a new initiative to open up our high-performance computers to AI start-ups** to train their models.

But this will only be **part** of our work to **guide innovation**.

We need an open dialogue with those that develop and deploy AI.

It happens in the United States, where seven major tech companies have already agreed to **voluntary rules around safety, security and trust.**

It happens here, where we will work with AI companies, so that they voluntarily commit to the principles of the **AI Act before** it comes into force.

Now we should bring all of this work together towards **minimum global standards for safe and ethical use of AI.**

GLOBAL, MIGRATION AND SECURITY

Honourable Members,

When I stood here four years ago, I said that if we are united on the inside, nobody will divide us from the outside.

And this was the thinking behind the Geopolitical Commission.

Our **Team Europe approach** has enabled us to be more strategic, more assertive and more united.

And that is more important than ever.

Our heart bleeds when we see the devastating loss of life in **Libya and Morocco** after the violent floods and earthquake.

Europe will always stand ready to support in any way we can.

Or think about the Sahel region, one of the poorest yet fastest growing demographically.

The succession of military coups will make the region more unstable for years ahead.

Russia is both influencing and benefiting from the chaos.

And the region has become fertile ground for the rise in terrorism.

This is of direct concern for Europe – for our security and prosperity.

So we need to show the same unity of purpose towards Africa as we have shown for Ukraine.

We need to focus on cooperation with legitimate governments and regional organisations.

And we need to develop a mutually beneficial partnership which focuses on common issues for Europe and Africa.

This is why, together with High Representative Borrell, we will work on a **new strategic approach** to take forward at the next EU-AU Summit.

Honourable Members,

History is on the move.

Russia is waging a full-scale war against the founding principles of the UN Charter.

This has raised immense concerns in countries from Central Asia to the Indo-Pacific.

They are worried that in a lawless world, they might face the same fate as Ukraine.

We see a clear attempt by some to return to bloc thinking – trying to isolate and influence countries in between.

And it comes at a time when there is a deeper unease by many emerging economies about the way institutions and globalisation work for them.

Those concerns are legitimate.

These emerging economies – with their people and natural assets – are essential allies in building a cleaner, safer and more prosperous world.

Europe will always work with them to reform and improve the international system.

We want to lead efforts to make the rules-based order fairer and make distribution more equal.

This will also mean working with new and old partners to deepen our connections.

And Europe's offer with **Global Gateway** is truly unique.

Global Gateway is more transparent, more sustainable, and more economically attractive.

Just last week I was in New Delhi to sign the most ambitious project of our generation.

The India-Middle East-Europe Economic Corridor.

It will be the most direct connection to date between India, the Arabian Gulf and Europe: With a rail link, that will make trade between India and Europe 40% faster.

With an electricity cable and a clean hydrogen pipeline – to foster clean energy trade between Asia, the Middle East and Europe.

With a high-speed data cable, to link some of the most innovative digital ecosystems in the world, and create business opportunities all along the way.

These are state-of-the-art connections for the world of tomorrow.

Faster, shorter, cleaner.

And Global Gateway is making the real difference.

I have seen it in Latin America, South-East Asia and across Africa – from building a local hydrogen economy with Namibia and Kenya to a digital economy with the Philippines.

These are investments in our partners' economy.

And they are investments in Europe's prosperity and security in a fast-changing world.

Honourable Members,

Every day, we see that conflict, climate change and instability are pushing people to seek refuge elsewhere.

I have always had a steadfast conviction that migration needs to be managed.

It needs endurance and patient work with key partners.

And it needs unity within our Union.

This is the spirit of the New Pact on Migration and Asylum.

When we took office, there seemed to be no possible compromise in sight.

But with the Pact, we are striking a new balance.

Between protecting borders and protecting people.

Between sovereignty and solidarity.

Between security and humanity.

We listened to all Member States and focused on all routes.

And we have translated the spirit of the Pact into practical solutions.

We were fast and united in responding to the hybrid attack that Belarus launched against us.

We worked closely with our Western Balkan partners and reduced irregular flows.

We have signed a partnership with Tunisia that brings mutual benefits beyond migration – from energy and education, to skills and security.

And we now want to work on similar agreements with other countries.

We stepped up border protection.

European Agencies deepened their cooperation with Member States.

Allow me to thank in particular Bulgaria and Romania for leading the way – showcasing best practices on both asylum and returns.

They have proved it: Bulgaria and Romania are part of our Schengen area.

So let us finally bring them in – without any further delay.

Ladies and Gentlemen,

Our work on migration is based on the conviction that unity is within our reach.

An agreement on the pact has never been so close.

Parliament and the Council have a historic opportunity to get it over the line.

Let us show that Europe can manage migration effectively and with compassion. Let's get this done!

Honourable members,

We know that migration requires constant work.

And nowhere is that more vital than in the fight against human smugglers.

They attract desperate people with their lies.

And put them on deadly routes across the desert, or on boats that are unfit for the sea.

The way these smugglers operate is continuously evolving.

But our legislation is over twenty years old and needs an urgent update.

So we need new legislation and a new governance structure.

We need stronger law enforcement, prosecution and a more prominent role for our agencies – Europol, Eurojust and Frontex.

And we need to work with our partners to tackle this global plague of human trafficking.

This is why the Commission will organise an **International Conference on fighting people smuggling**.

It is time to put an end to this callous and criminal business!

UKRAINE

Honourable Members,

On the day when Russian tanks crossed the border into Ukraine, a young Ukrainian mother set off for Prague to bring her child to safety.

When the Czech border official stamped her passport, she started crying.

Her son didn't understand. And he asked his mother why she was crying.

She answered: "Because we are home."

"But this is not Ukraine," he argued.

So she explained: "This is Europe."

On that day, that Ukrainian mother, felt that Europe was her home.

Because "home is where we trust each other".

And the people of Ukraine could trust their fellow Europeans.

Her name was Victoria Amelina.

She was one of the great young writers of her generation and a tireless activist for justice.

Once her son was safe, Victoria returned to Ukraine to document Russia's war crimes.

One year later she was killed by a Russian ballistic missile, while having dinner with colleagues.

The victim of a Russian war crime, one of countless attacks against innocent civilians.

Amelina was with three friends that day - including Héctor Abad Faciolince, a fellow writer from

Colombia.

He is part of a campaign called "Aguanta, Ucrania" – "Resist, Ukraine", created to tell Latin Americans of Russia's war of aggression and attacks on civilians. But Héctor could never imagine becoming the target himself. Afterwards, he said he didn't know why he lived and she died. But now he is telling the world about Victoria. To save her memory and to end this war. And I am honoured that Héctor is here with us today. And I want you to know that we will keep the memory of Victoria – and all other victims – alive.

Aguanta, Ucrania. Slava Ukraini!

Honourable Members,

We will be at Ukraine's side every step of the way.

For as long as it takes.

Since the start of the war, four million Ukrainians have found refuge in our Union.

And I want to say to them that they are as welcome now as they were in those fateful first weeks.

We have ensured that they have access to housing, healthcare, the job market and much more.

Honourable Members,

this was Europe answering the call of history.

And so I am proud to announce that the Commission will propose to extend our temporary protection to Ukrainians in the EU.

Our support to Ukraine will endure.

We have provided 12 billion euros this year alone to help pay wages and pensions.

To help keep hospitals, schools and other services running.

And through our ASAP proposal we are ramping up ammunition production to help match Ukraine's immediate needs.

But we are also looking further ahead.

This is why we have proposed an additional 50 billion euros over four years for investment and reforms.

This will help build Ukraine's future to rebuild a modern and prosperous country.

And that future is clear to see.

This House has said it out loud: The future of Ukraine is in our Union.

The future of the Western Balkans is in our Union.

The future of Moldova is in our Union.

And I know just how important the EU perspective is for so many people in Georgia.

Honourable Members,

I started by speaking of Europe responding to the $\ensuremath{\textbf{call of history.}}$

And history is now calling us to work on completing our Union.

In a world where some are trying to pick off countries one by one, we cannot afford to leave our fellow Europeans behind.

In a world where size and weight matters, it is clearly in Europe's strategic and security interests to complete our Union.

But beyond the politics and geopolitics of it, we need to picture what is at stake.

We need to set out a vision for a successful enlargement.

A Union complete with over 500 million people living in a free, democratic and prosperous Union.

A Union complete with young people who can live, study and work in freedom.

A Union complete with vibrant democracies in which judiciaries are independent, oppositions are respected, and journalists are protected.

Because the rule of law and fundamental rights will always be the foundation of our Union – in current and in future Member States.

This is why the Commission has made the Rule of Law Reports a key priority.

We now work closely with Member States to identify progress and concerns – and make recommendations for the year ahead.

This has ensured accountability in front of this House and national parliaments.

It has allowed for dialogue between Member States.

And it is delivering results.

I believe that it can do the same for future Member States.

This is why I am very happy to announce that we will open the Rule of Law Reports to those accession countries who get up to speed even faster.

This will place them on an equal footing with Member States.

And support them in their reform efforts.

And it will help ensure that our future is a Union of freedom, rights and values for all.

Honourable Members,

This is in our shared interest.

Think about the great enlargement of 20 years ago.

We called it the European Day of Welcomes.

And it was a triumph of determination and hope over the burdens of the past.

And in the 20 years since we have seen an economic success story which has improved the lives of millions.

I want us to look forward to the next European Day of Welcomes and the next economic success stories.

We know this is **not** an easy road.

Accession is merit-based – and the Commission will always defend this principle.

It takes hard work and leadership.

But there is already a lot of progress.

We have seen the great strides Ukraine has already made since we granted them candidate status. And we have seen the determination of other candidate countries to reform.

Honourable Members,

it is now time for us to match that determination.

And that means thinking about how we get ready for a completed Union.

We need to move past old, binary debates about enlargement.

This is not a question of deepening integration **or** widening the Union.

We can and we must do both.

To give us the geopolitical weight and the capacity to act.

This is what our Union has always done.

Each wave of enlargement came with a political deepening.

We went from coal and steel towards full economic integration.

And after the fall of the Iron Curtain, we turned an economic project into a true Union of people and states.

I believe that the next enlargement must also be a catalyst for progress.

We have started to build a Health Union at 27.

And I believe we can finish it at 30+.

We have started to build European Defence Union at 27.

And I believe we can finish it at 30+.

We have proven that we can be a Geopolitical Union **and** showed we can move fast when we are united.

And I believe that Team Europe also works at 30+.

Honourable Members,

I know this House believes the same.

And the European Parliament has always been one of the main drivers of European integration.

It has been so throughout the decades.

And it is once again today.

And I will always support this House – and all of those who want to reform the EU to make it work better for citizens.

And, yes, that means including through a European Convention and Treaty change if and where it is needed!

But we cannot – and we should not – wait for Treaty change to move ahead with enlargement.

A Union fit for enlargement can be achieved faster.

That means answering practical questions about how a Union of over 30 countries will work in practice.

And in particular about our capacity to act.

The good news is that with every enlargement those who said it would make us less efficient were proven wrong.

Take the last few years.

We agreed on NextGenerationEU at 27.

We agreed to buy vaccines at 27.

We agreed on sanctions in record time – also at 27.

We agreed to purchase natural gas – not only at 27 but including Ukraine, Moldova and Serbia.

So it can be done.

But we need to look closer at each policy and see how they would be affected by a larger Union.

This is why the Commission will start working on a series of **pre-enlargement policy reviews** to see how each area may need to be adapted to a larger Union.

We will need to think about how our institutions would work – how the Parliament and the Commission would look.

We need to discuss the future of our budget – in terms of **what** it finances, **how** it finances it, and how it is **financed**.

And we need to understand how to ensure **credible security commitments** in a world where deterrence matters more than ever.

These are questions we must address **today** if we want to be ready for tomorrow.

And the Commission will play its part.

This is why we will **put forward our ideas to the Leaders' discussion under the Belgian Presidency.**

We will be driven by the belief that completing our Union is the best investment in peace, security and prosperity for our Continent.

So it is time for Europe to once again think big and write our own destiny!

CONCLUSION

Honourable Members,

Victoria Amelina believed that it is our collective duty to write a new story for Europe.

This is where Europe stands today.

At a time and place where history is written.

The future of our continent depends on the choices we make today.

On the steps we take to complete our Union.

The people of Europe want a Union that stands up for them in a time of great power competition.

But also one that protects and stands close to them, as a partner and ally in their daily battles.

And we will listen to their voice.

If it matters to Europeans, it matters to Europe.

Think again about the vision and imagination of the young generation I started my speech with.

It is the moment to show them that we can build a continent where you can be who you are, love who you want, and aim as high as you want.

A continent reconciled with nature and leading the way on new technologies.

A continent that is **united in freedom and peace.**

Once again – this is Europe's moment to answer the call of history.

Long live Europe.

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Press contacts:
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Eric MAMER (+32 2 299 40 73) Dana SPINANT (+32 2 299 01 50)

General public inquiries: Europe Direct by phone 00 800 67 89 10 11 or by email

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